IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMPANY PETITION NO. 489 OF 2006

Standard Chartered Finance Ltd. .... Petitioners

Mrs. Sawmya Srikrishna with Ms. Kanika Premnarayan i/by M/s Wadia Ghandy & Company for the Petitioners.

No. R.D. and O.L. as Reduction of Share Capital.

CORAM : R.S. MOHITE, J.

DATE : 18TH AUGUST, 2006

P.C.

1) In this petition, the Petitioner prays for sanction of reduction of the subscribed paid-up share capital of the Petitioner-Company as resolved by a Special Resolution at the Annual General Meeting of the Shareholders of the Petitioner-Company held on 29th Septermber 2005 set out in the petition by paying off holders of 18,78,565 8% redeemable cumulative preference shares of Rs.100/- each, fully paid-up and cancelling the said preference shares. It is seen that by an earlier order, this Court has dispensed with the requirement of Section 101(2) of The Companies Act. From the averments made in the Petition, it can be seen

that statement is made that there are no secured creditors of the company and that there are four un-secured creditors who have given their consent and amount payable to the two other unsecured creditors can be paid in ordinary course.

2) It is further mentioned in the petition that the reduction of capital does not involve the diminution of any liability in respect of unpaid share capital and the interest of the creditors is not affected by the said reduction of capital. It is pointed out that there is foreign participation in respect of the said shares, but no objection has been given for reduction of the capital by the Government of India vide letter dtd. 11th May 2006.

3) No objection has been raised by any creditor or any other person and in the circumstances I find no difficulty in making the petition absolute in terms of prayer clause (a), (b) and (d) to (g).

(R.S. MOHITE, J.)